U.S. Patent Application No.: 10/536,699 Filing Date: May 27, 2005 First Named Inventor: Reinhold Koch

Amendments to the Drawings

Please replace the drawing sheet containing FIGS. 7 and 8 with the two replacement sheets containing FIGS. 7A, 7B and 8. FIGS. 7A and 7B are embodiments of original FIG. 7 showing control circuit 20.

U.S. Patent Application No.: 10/536,699

Filing Date: May 27, 2005

First Named Inventor: Reinhold Koch

REMARKS

Claims 22-42 are pending in the present application. Claims 22-42 are rejected.

Claims 22, 26, 29, 30, 32, 33, and 36 are currently amended. Claim 37 is hereby cancelled.

Allowable Subject Matter

Applicants thank the Examiner for allowing claim 37 if rewritten to overcome the

rejections under 35 U.S.C. §112, 2nd paragraph set forth in the Office Action and to include all of the limitations of the base claim and any intervening claims and to correct the informalities.

Applicants have incorporated the elements of claim 37 into independent claims 22 and 36, have

made corrections to overcome the §112 rejections, and have corrected informalities.

It is noted that the phrase "magneticresistive elements" from claim 37 has been

replace by "two magnetic setting elements" to provide proper antecedent basis.

Rejection under 35 U.S.C. 8112

Claims 22-42 are rejected under 35 U.S.C. §112, second paragraph, as being

indefinite for failing to particularly point out and distinctly claim the subject matter which

applicants regard as their invention. Applicants respectfully traverse this rejection.

Applicants have amended the elements of claim 37 that are incorporated into

claims 22 and 36 to clarify that one single magnetic element comprises two magnetic setting

elements with two magnetically differentiable states.

Rejection under 35 U.S.C. §103

The Examiner has rejected claims 22-36 and 38-42 under 35 U.S.C. §103(a) as

being unpatentable over the German patent of Bangert et al. (DE 100 53 206) in view of the US

patent of Johnson (6,140,838). This rejection is respectfully traversed.

11

PHDATA 3219421 2

U.S. Patent Application No.: 10/536,699 Filing Date: May 27, 2005

First Named Inventor: Reinhold Koch

Claims 22 and 36 are now in allowable form. Claims 23-35 depend either directly or indirectly on claim 22. Claims 37-42 depend either directly or indirectly on claim 36. As claims 22 and 36 are allowable over the prior art, so too are the claims depending thereon.

Accordingly, this rejection is moot.

It is noted that throughout this response, where Applicants provide that a dependent claim overcomes the prior art based on it being dependent on a patentable independent claim, absence of an argument specific to the rejected element is not an admission that the cited prior art discloses that element or that Applicants are in agreement with the Examiner's comments. Additionally, absence of an argument because a claim has been cancelled is not an admission that Applicants agree with the rejection. Finally, as all claim elements must be taught for a claim to be anticipated or obvious, evidence that only one is not present is sufficient to overcome a rejection. Therefore, if one element of a claim is noted as not disclosed in the prior art, this does not mean Applicants admit to all other elements being disclosed.

Drawing Amendment

The Examiner provided that, "the plurality of logic devices of claims 34 and 40, the separate control circuits of claim 41, and the groups and common control circuit of claim 42 must be shown or the feature(s) canceled from the claim(s)."

Fig. 7 has been replaced by Figs. 7A, 7B to show elements of claims 34, 40, 41 and 42. The specification has been amended to properly describe Figs. 7A and 7B. Support for the amended drawings and description can be found on page 22, paragraph 2.

Additional Amendments to the Specification

 $\label{lem:Applicants} Applicants have amended the specification to replace "coercitive" with "coercive" throughout.$

U.S. Patent Application No.: 10/536,699 Filing Date: May 27, 2005

First Named Inventor: Reinhold Koch

Conclusion

Based on the Amendments and Remarks above, Applicants respectfully request allowance of all pending claims.

Respectfully submitted,

SCHNADER HARRISON SEGAL & LEWIS LLP

Dated: July 21, 2009 By:

Joan T. Kluger Reg. No. 38,940

1600 Market Street, Suite 3600 Philadelphia, PA 19103

Tel: (215) 751-2357 Fax: (215) 751-2205

E-mail: jkluger@schnader.com Attorneys for Applicants